



Delaware Division of Corporations

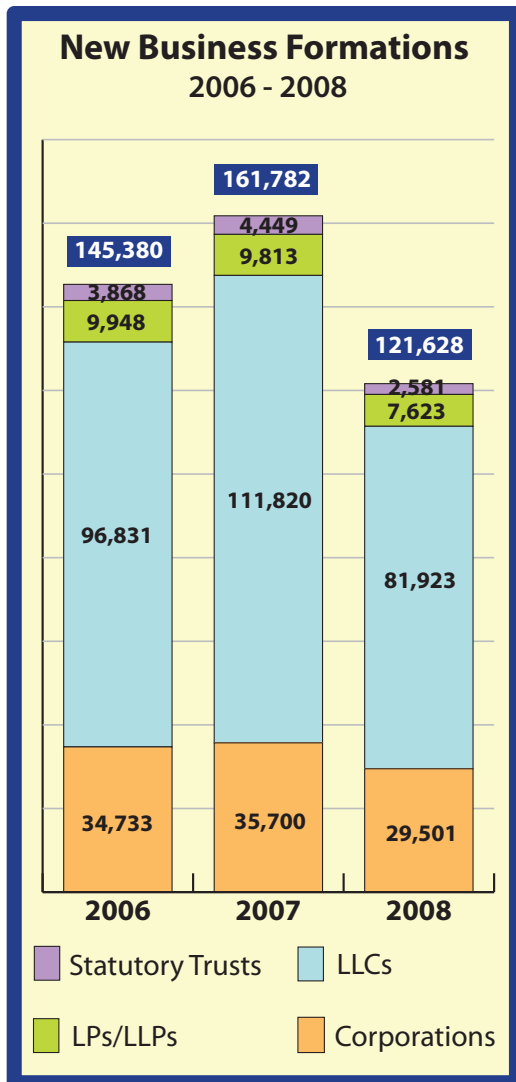
2008 Annual Report

“Serving Delaware and the World”

In 2008, the Delaware Division of Corporations continued to provide exceptional service to its customers and identified new ways to further serve them.

Despite the worldwide economic decline and its effect on new business formations, Delaware remained the chosen home of 64% of Fortune 500 companies and, in autumn 2008, reached an historic milestone of one domestic entity per Delawarean. At the end of 2008, there were over 882,000 active business entities in Delaware – an overall increase of 4.1% over the previous year.

Of the 121,628 new entities formed in Delaware in 2008, 67% were LLCs and 24% were corporations.



Jeffrey W. Bullock

Delaware Secretary of State

On January 21, 2009, Jeffrey W. Bullock of Wilmington became Delaware's 82nd Secretary of State.

Secretary Bullock brings to the Department of State a wide range of executive public sector experience, including prominent roles in leading Delaware's two largest governments. From 1994-2001, he served as the Chief of Staff to Governor Thomas R. Carper, managing the day-to-day operation of state government and coordinating the policy agenda for the administration.

More recently, Bullock was the Chief Administrative Officer for New Castle County, Delaware's largest county. As such, he directed all policy, operations, and financial matters for a government with a \$250 million budget and over 1,500 employees.

Bullock's public sector experience also includes two tours of duty working in the U.S. Congress. He began his professional career in the 1980s serving in a variety of roles including Chief of Staff and Legislative Director to then-Congressman Thomas R. Carper. Following Governor Carper's successful bid for U.S. Senate in 2001, Bullock returned to Washington as Chief of Staff to the newly-elected Senator.

All entity types – including trusts and partnerships – experienced reduced growth in 2008 due to unfavorable global economic trends.

However, despite the significant slowdown in the rate of business entity formation, the State continues to develop value-added services and invest for future growth.

Gore Award of Excellence

The Delaware Division of Corporations received the 2008 W.L. Gore Award of Excellence, the highest-level award given through the Delaware Quality Awards, which recognizes Delaware businesses and organizations that demonstrate performance excellence.

Gore Award recipients must display outstanding performance and be a role model in most of the seven categories based on the national Baldrige Criteria: leadership; strategic planning; customer and market focus; process management; business results; human resource focus; and measurement, analysis, and knowledge management. The Division

is only the second government agency to win the Gore Award since its inception in 1992.

Going “Green”

The Division's website consistently attracts more visits than any other State website in Delaware. In 2008, our customers conducted 424,000 paid transactions via the Internet, a 15% increase from the prior year. The Division has significantly reduced the use of paper through the implementation of PDF email images, fewer paper management reports, and the elimination of paper annual reports.

Developing ICIS

The Division of Corporations is in the process of developing an Integrated Corporation Information System (ICIS). This project will bring newer underlying technology to the database, imaging, and workflow applications that power the Division's operations. The primary benefit of the project is to provide increased process flexibility and more efficient service for the Division's customers and stakeholders. The system is on track to be launched in Spring 2011.

Launching Electronic Notarization

The State of Delaware recently began implementing an electronic notary initiative designed to further leverage the State's leading positions in e-Government and corporate law. New notary legislation enacted in June 2008 modernizes Delaware's notary public laws by permitting the adoption of an electronic notarization system to “facilitate electronic commerce and the creation of a trusted, secure and legally enforceable exchange of legal documents.”

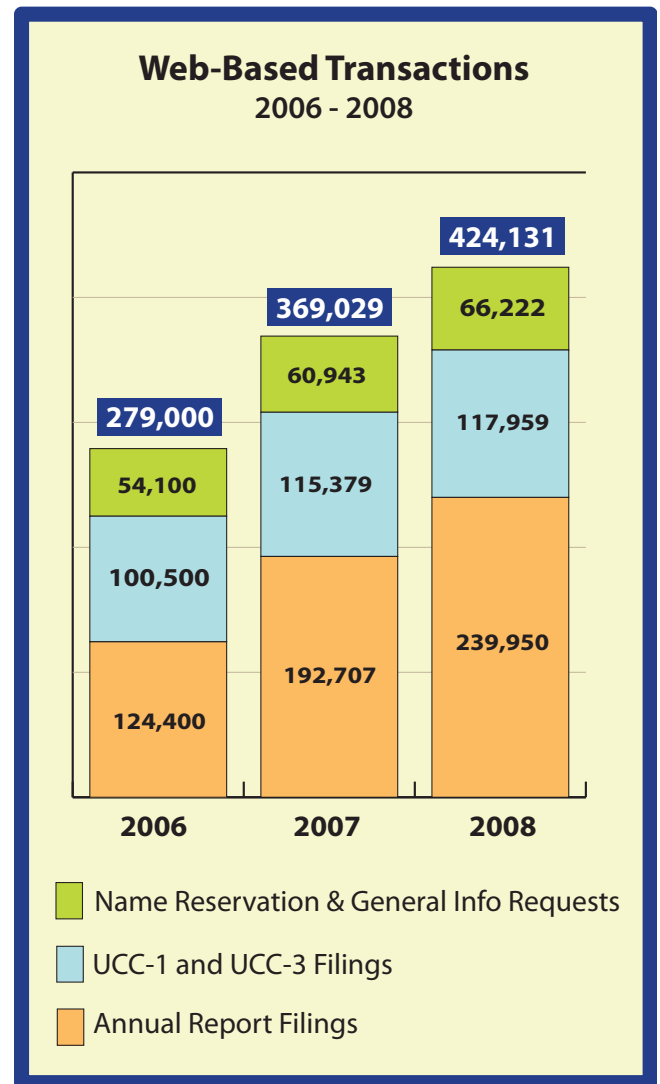
Earlier in 2008, the day-to-day operations of the Notary Public program were transferred to the Support Services Section of the Division of Corporations. Notary applications are now typically being processed within 24 hours, and fees may be paid by electronic check or credit card.

International Outreach

A major part of our overall strategy is to continuously expand Delaware's global market share. In the last eight years, our marketing efforts have helped the State reach thousands of legal professionals from dozens of countries around the world.

In October, a delegation comprised of Delaware attorneys, Chief Justice Steele, and a representative of the Division of Corporations attended the International Bar Association conference in Argentina, meeting hundreds of corporate attorneys from around the world.

The International Corporate Governance Network (ICGN) returned to Delaware in 2008 for its mid-year meeting with



the assistance of the Department of State and sponsors from Delaware's business and legal community. Over 300 delegates from 16 countries attended the speeches and panel discussions, at which Delaware's Judiciary and national corporate governance experts took an active role.

As the new Secretary of State, I look forward to re-doubling our efforts to grow the State's incorporation business and deliver world-class services for our customers.

Thank you for doing business in Delaware.

Jeffrey W. Bullock
Delaware Secretary of State

June 26, 2009